



South Carolina House of Representatives

Legislative Update

Robert W. Harrell, Jr., Speaker of the House

Vol. 24

February 13, 2007

No. 06

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HOUSE WEEK IN REVIEW

The House of Representatives amended, approved, and sent to the Senate **H.3447**, a joint resolution establishing a **STUDY COMMITTEE TO EXAMINE THE PROPERTY AND CASUALTY INSURANCE CRISIS FACING OWNERS OF REAL PROPERTY**. The legislation charges the committee with examining the spiraling costs and increasing unavailability of homeowners and commercial insurance experienced by property owners statewide and notably in the state's coastal areas. The committee after its study and examination shall, by April 1, 2007, render a report to the Governor and General Assembly together with its recommendations to bring immediate relief to insureds and bring stability to this component of the insurance market. The committee consists of five members: one member of the House of Representatives appointed by the Chairman of the House Labor, Commerce and Industry Committee; one member of the Senate appointed by the Chairman of the Senate Banking and Insurance Committee; three members appointed by the Governor, one of whom shall represent the property and casualty insurance industry, one of whom shall represent consumers of property and casualty insurance, and one of whom shall be a member of the general public at large. The Director of the Department of Insurance shall be the sixth member of the committee to serve as an ex officio nonvoting member and act as chairman.

The House approved and sent to the Senate **H.3155**, relating to **TERMS OF THE AERONAUTICS COMMISSIONERS**. Current law does not allow commissioners to succeed themselves. This bill allows commissioners to succeed themselves for a second four-year term. No commissioner may serve more than two consecutive terms. However, after serving two consecutive terms, a commissioner may be eligible to serve again four years after the expiration of his second term.

The House approved and sent to the Senate **H.3345**, a bill designating August 16th of each year as **SOUTH CAROLINA AIRBORNE HERITAGE DAY**.

The House approved and sent to the Senate **H.3334**. Current state law defines "**HAIR BRAIDING**" to mean the weaving or interweaving of natural human hair for compensation without cutting, coloring, permanent waving, relaxing, removing, or chemical treatment and does not include the use of hair extensions or wefts. This bill amends the statutory definition of hair braiding to allow use of hair extensions.

The House amended **H.3199**, the "**ATM SAFETY ACT**", and gave the bill second reading approval. The bill provides that it is unlawful for a person to steal money, securities for money, or property, either by force, intimidation, or threats, from a person who is using or who has just finished using a bank night depository, an automated teller machine (ATM), or another automated banking device, or in the vicinity of a bank depository, an ATM, or another automated banking device. A violator is guilty of a felony and, upon conviction, must be fined not more than ten thousand dollars and imprisoned not more than twenty years, or both. The legislation also provides that it is unlawful for a person to beg, panhandle, or solicit money from a person using or who has just finished using a bank night depository, an ATM, or another automated banking device; or in the vicinity of a bank night depository, an ATM, or another automated banking device. A violator is guilty of a misdemeanor and, upon conviction, must be fined not more than five hundred dollars or imprisoned not more than thirty days, or both. The legislation

provides that separate location code, premise code, or designation for a bank night depository, an ATM, or other automated banking device offense must be added to the South Carolina Incident Based Reporting System and used by law enforcement personnel when completing incident reports for criminal activity encompassed by this legislation.

The House gave second reading approval to **H.3115**, relating to **SEWER SPECIAL PURPOSE DISTRICTS' CONSTRUCTION FINANCING AUTHORITY**, a favorable report. This bill authorizes a special purpose district that only provides sewage collection and disposal services to utilize any method of financing the construction of sewer lateral collection lines notwithstanding other provisions of law.

The House amended and committed to the Ways and Means Committee **H.3210**, a bill **AUTHORIZING A COUNTY'S GOVERNING BODY TO INCREASE TO ONE HUNDRED THOUSAND DOLLARS THE HOMESTEAD PROPERTY TAX EXEMPTION** provided to senior citizens, the blind, and the disabled.

The House recommitted **H.3162** to the Education and Public Works Committee. This bill establishes the **SOUTH CAROLINA TEACHER LOAN PROGRAM POLICY BOARD OF GOVERNANCE**.

HOUSE COMMITTEE ACTION

AGRICULTURE, NATURAL RESOURCES, AND ENVIRONMENTAL AFFAIRS

The full committee did not meet this week.

EDUCATION AND PUBLIC WORKS

The full committee did not meet this week.

JUDICIARY

The full Judiciary Committee met on Tuesday, February 6, 2007.

The full committee gave a favorable with amendment report to **H.3267**, a bill that provides for **ADDITIONAL CIRCUIT COURT JUDGES AND ADDITIONAL FAMILY COURT JUDGES**. As passed by the Judiciary Committee, the bill increases the number of at-large circuit court judges from 13 to 16. Also, the bill provides that there must be three additional family court judges elected by the General Assembly from the State-at-large for terms of office of six years.

H.3116 received a favorable recommendation from the full Judiciary Committee. This legislation establishes the **COURT APPOINTMENT DEFERRAL FUND** to be maintained by the Supreme Court. The purpose of the fund is to allow an attorney, who is not otherwise exempt from appointment pursuant to Rule 608(d), a one-year optional exemption from appointment to represent an indigent person in accordance with the requirements of Rule 608 upon the payment of a set fee established by the Supreme Court.

The full committee gave a favorable report to **H.3287**, which authorizes a **FRESHMAN LEGISLATIVE CAUCUS**. Relating to definitions concerning lobbyists and lobbying and campaign practices, this bill revises the definition of the term "legislative caucus" to include a caucus based on a membership of freshman members.

H.3199, which establishes the "**ATM SAFETY ACT**," received a favorable with amendment report from the full Judiciary Committee. The bill provides that it is unlawful for a person to steal money, securities for money, or property, either by force, intimidation, or threats, from a person who is using or who has just finished using a bank night depository, an automated teller machine (ATM), or another automated banking device, or in the vicinity of a bank depository, an ATM, or another automated banking device. A violator is guilty of a felony and, upon conviction, must be fined not more than ten thousand dollars and imprisoned not more than twenty years, or both. The legislation also provides that it is unlawful for a person to beg, panhandle, or solicit money from a person using or who has just finished using a bank night depository, an ATM, or another automated banking device; or in the vicinity of a bank night depository, an ATM, or another automated banking device. A violator is guilty of a misdemeanor and, upon conviction, must be fined not more than five hundred dollars or imprisoned not more than thirty days, or both. The legislation provides that separate location code, premise code, or designation for a bank night depository, an ATM, or other automated banking device offense must be added to the South Carolina Incident Based Reporting System and used by law enforcement personnel when completing incident reports for criminal activity encompassed by this legislation.

The full committee adjourned debate on **H.3310**, a bill pertaining to the **UNLAWFUL CARRYING OF HANDGUNS**.

The Judiciary Committee gave **H.3115**, relating to **SEWER SPECIAL PURPOSE DISTRICTS' CONSTRUCTION FINANCING AUTHORITY**, a favorable report. This bill authorizes a special purpose district that only provides sewage collection and disposal services to utilize any method of financing the construction of sewer lateral collection lines notwithstanding other provisions of law.

LABOR, COMMERCE AND INDUSTRY

The full committee did not meet this week.

MEDICAL, MILITARY, PUBLIC AND MUNICIPAL AFFAIRS

The full committee met on Tuesday, February 6, 2007.

The full committee adjourned debate on **H.3135**, a joint resolution to establish a **STUDY COMMITTEE TO DEVELOP A STATEWIDE COMPREHENSIVE SERVICE DELIVERY PROGRAM FOR PERSONS WITH EPILEPSY**.

H.3334 received a favorable report from the full Medical, Military, Public and Municipal Affairs Committee. Current state law defines “**HAIR BRAIDING**” to mean the weaving or interweaving of natural human hair for compensation without cutting, coloring, permanent waving, relaxing, removing, or chemical treatment and does not include the use of hair extensions or wefts. This bill amends the statutory definition of hair braiding to allow use of hair extensions.

WAYS AND MEANS

The full House Ways and Means Committee met on Thursday, February 8, and reported out several bills.

The Committee gave a report of favorable with amendment on **H.3170**, a bill providing for **ADDITIONAL PALMETTO FELLOWS AND LIFE SCHOLARSHIP STIPENDS FOR STUDENTS MAJORING IN SCIENCE OR MATHEMATICS**. This bill provides that a resident student who is at least a sophomore attending a public or private institution in this state, majoring in science or mathematics, and receiving a Palmetto Fellows Scholarship or LIFE Scholarship shall receive an additional scholarship stipend for the remainder of his undergraduate term if he continues to be eligible for the scholarship and demonstrates acceptable progress towards receiving an undergraduate degree in science or mathematics. The total increase each year is not to exceed \$3,300 for Palmetto Fellows and \$2,500 for LIFE. The legislation establishes minimum course requirements that must be met during the freshman year in order for a student to be eligible for these stipends. Credits earned through applicable high school advanced placement courses may count towards satisfying these freshman year requirements. The Commission on Higher Education shall define by regulation what constitutes a science or mathematics major but the category at minimum shall include majors in science or mathematics disciplines, computer science or informational technology, engineering, and health care and related disciplines including medicine and dentistry.

The Committee gave a report of favorable with amendment on **H.3295**, a bill establishing **NEW LIMITS ON STATE APPROPRIATIONS** that first apply to appropriations for fiscal year 2008-2009. The bill provides that, in addition to all other applicable constitutional

and statutory limitations on general fund appropriations, total general fund appropriations for the fiscal year may not exceed the lesser of: (a) one hundred six percent of the adjusted base-year estimate made by the Board of Economic Advisors; or (b) the adjusted base-year estimate increased by a percentage equal to the state's growth in population and a percentage equal to any increase in the consumer price index. The adjusted base-year estimate is the recurring and nonrecurring general fund estimate made by the Board of Economic Advisors on February 15, 2007 for fiscal year 2007-2008. The Director of the Office of State Budget must certify compliance with these new limitations before the Governor may submit a proposed budget and before the annual general appropriations bill may not be given third reading in the House of Representatives and Senate. Under the legislation, the General Assembly is authorized to declare a financial emergency and suspend these limitations on appropriations for any one fiscal year for a specific amount by a special vote (an affirmative recorded roll-call vote in each branch of the General Assembly by two-thirds of the members present and voting but not less than three-fifths of the total membership in each branch).

H.3295 creates the **SPENDING LIMIT RESERVE FUND** as a separate and distinct fund in the State Treasury that is to receive all general fund revenues accumulated in a fiscal year in excess of the appropriations limits provided in this legislation. Revenues credited to the Spending Limit Reserve Fund in a fiscal year may be appropriated by the General Assembly in its regular session in the year following the close of the applicable fiscal year. The Spending Limit Reserve Fund must be used to replenish the State's General Reserve Fund should that fund fall below its required minimum balance. Such amounts do not replace or supplant other required replenishments, and, to the extent that concurrent replenishments of the General Reserve Fund exceed the amount necessary for its full funding, the General Reserve Fund is deemed to require an annual minimum balance equal to this increased amount not to exceed a total balance equal to four percent of general fund revenue in the latest completed fiscal year. After these priorities are met, revenues that remain in the Spending Limit Reserve Fund may be utilized only for the following purposes: (1) infrastructure improvements including fixed transportation facilities such as highway, rail, water and air, and basic facilities, services, and installations needed for the functioning of government such as water, sewer, and public sector communications; (2) temporary tax reductions; (3) school buildings; (4) school buses; and (5) expenses incurred by the State as a result of natural or other disasters declared by the President of the United States. Funding for these capital projects must be appropriated from the fund in one installment and all appropriations must be made by means of a joint resolution originating in the House of Representatives.

The Committee gave a report of favorable with amendment on **H.3422**, a bill providing for numerous **TAX REVISIONS** including annual updates to statutory language and technical revisions. The legislation establishes a three-tiered reimbursement procedure for the Homestead Exemption Fund and provides for other revisions necessary for **IMPLEMENTING PROPERTY TAX REVISIONS** approved in 2006. The legislation also provides for a **SALES TAX EXEMPTION FOR AMUSEMENT PARK RIDES** and parts, machinery, and equipment used in their construction or operation for an amusement or theme park that makes a capital investment of at least \$250 million at a single site and creates at least 250 full time jobs and 500 part-time or seasonal jobs.

The Committee approved a joint resolution **APPROPRIATING CONTINGENCY RESERVE FUND REVENUES**. Under provisions of the general appropriations act for the 2006-2007 fiscal year, \$171.5 million in surplus general fund revenues were credited

to the Contingency Reserve Fund. This joint resolution appropriates those funds as follows: \$138 million to the State Ports Authority for ports expansion; \$3 million to the Department of Commerce for the Donaldson Development Commission; \$4 million to the State Budget and Control Board for the Lake Marion Water Authority; \$3.7 million to the Adjutant General's Office for Emergency Preparedness Federal Match for the 2005 ice storm; and \$22.9 million to the State Department of Education for school bus acquisition.

BILLS INTRODUCED IN THE HOUSE THIS WEEK

AGRICULTURE, NATURAL RESOURCES, AND ENVIRONMENTAL AFFAIRS

H.3437 TEMPORARY HUNTING AND FISHING PERMITS Rep. J.E. Smith

This bill authorizes the Director of the Department of Natural Resources upon application to issue without charge temporary hunting or fishing licenses under the terms and conditions he considers appropriate for a period not to exceed 48 hours. The temporary permits may be issued to residents participating in hunting or fishing charitable events sponsored by a nonprofit or eleemosynary organization for the purpose of raising funds or engaging in educational promotional activities.

H.3466 "PUBLIC WATERS NUISANCE ABATEMENT ACT" Rep. Umphlett

This bill permits the Department of Natural Resources to remove or require the removal of certain structures from the public waters under specified conditions. The bill provides penalties for violations. The bill authorizes the Attorney General, a municipality or county to declare these structures nuisances and require their removal. The bill also provides for a civil action by a private citizen.

H.3486 RIVER BASIN WATER FLOW AND QUALITY Rep. Gullick

This bill requires the South Carolina Department of Environmental Control to:

- review stream flow data reported by the United States geological survey at a river basin where water flows into the state from a neighboring state;
- review certain water quality data;
- provide a quarterly report of these records to various government entities; and
- report a significant decline in the water quality or flow of a river basin to various government entities promptly.

The bill requires the Attorney General to:

- pursue action needed to cause a neighboring state to improve the quality or flow of water flowing from that state into this state's river basins, and
- pursue the recovery of related damages.

EDUCATION AND PUBLIC WORKS

H.3426 STUDENT RETENTION Rep. Whipper

This bill provides that no student enrolled in grades 7-12 may be retained in his present grade for the next school year either at his current school or at another school other than for academic or health reasons which are documented in the student's Individual Education Plan or in other records applicable to the student. Health reasons do not include those relating to the athletic abilities of the student.

H.3436 VEGETATION MANAGEMENT Rep. Crawford

This bill provides that the Department of Transportation may undertake the management of vegetation along interstate medians, roadsides and interchanges at its discretion after considering comments from the local governmental authority that has jurisdiction over the portion of highway subject to the vegetation management policy.

H.3476 "TEACHER RECRUITMENT AND RETENTION IMPROVEMENT ACT" Rep. Walker

This bill provides that a school district may hire individuals who are certified by the American Board for the Certification of Teacher Excellence pursuant to certain conditions.

JUDICIARY

S.182 PRISON INDUSTRIES PROGRAM Sen. Fair

This bill provides that the Department of Corrections in conjunction with the Department of Commerce shall develop and maintain a marketing plan to attract private sector businesses for the employment of inmates through the Prison Industries Program. The use of inmate labor may not result in the displacement of employed workers. The bill further provides that the Director of the Department of Corrections shall deduct certain amounts from the gross earnings of the inmates engaged in prison industry service work.

H.3425 JUVENILES' WAIVER OF COUNSEL Rep. Whipper

This bill provides that a child or the child's parent or guardian may not waive the child's right to counsel when the family court proceeding may result in detention or confinement of the child. Relating to family court detention hearings and prehearing inquiries and investigations, respectively, this bill deletes provisions allowing a child to waive the right to counsel under certain circumstances.

H.3427 COMMON LAW MARRIAGE Rep. Whipper

Under this bill, common law marriage in the State may not be recognized on and after January 1, 2008; an exception is provided for common law marriages existing as of December 31, 2007. The bill also repeals a code section relating to the validity of a marriage contracted without the issuance of a license.

H.3428 RESERVE POLICE OFFICERS Rep. G.M. Smith

This bill provides for law enforcement agencies to appoint reserve officers in the same manner as municipal and county law enforcement agencies.

H.3435 CONFISCATION OF VEHICLES Rep. Crawford

A person convicted of driving under the influence of intoxicating liquor or drugs while his driver's license is suspended, under this bill must have the motor vehicle he drove when he committed the offense confiscated.

H.3449 COUNTY BOARD OF REGISTRATION AND COUNTY COMMISSIONERS OF ELECTION Rep. Clemmons

This bill requires the Governor to remove any member of these boards or commissions that has not fulfilled the training requirements.

H.3453 NONPAYMENT OF CHILD SUPPORT Rep. Hosey

If a person is incarcerated for nonpayment of child support, this bill provides that during the time the person is incarcerated and for three months after his release, the person's obligation to pay child support is suspended, arrearages do not accrue, and existing arrearages are held in abeyance.

**H.3457 REVOCATION OR SUSPENSION OF PERMITS AUTHORIZING
THE SALE OF BEER OR WINE Rep. Mack**

Relating to revocation or suspension of permits authorizing the sale of beer or wine, this bill requires notification to the licensee and an independent investigation by the Department of Revenue before a licensee's permit may be revoked or suspended.

H.3463 JUDICIAL MERIT SELECTION COMMISSION Rep. Howard

This bill changes the Judicial Merit Selection Commission's process for nominating judicial candidates from the nomination of three candidates to the release of a list of all qualified and fit candidates to the General Assembly. The bill deletes the requirement that race, gender, national origin, and other demographic factors be considered by the commission. The bill also defines the term "immediate family member."

H.3464 "SOUTH CAROLINA FIREARMS FREEDOM ACT" Rep. M.A. Pitts

This bill exempts from regulation under the Commerce Clause of the United States Constitution a firearm, firearm accessory, or ammunition manufactured and retained in South Carolina.

H.3465 COMMENCEMENT OF CIVIL ACTIONS Rep. F.N. Smith

Relating to commencement of civil actions, this bill provides that the statute of limitations is tolled upon the filing of a summons and complaint. The bill also allows an additional 120 days to accomplish actual service upon the payment of a \$75 dollar extension fee.

H.3467 ANNEXATION Rep. Viers

Under this bill, a city or town may not require annexation of property located outside the corporate limits of the municipality in exchange for providing utility services to the property.

H.3469 LAND SURVEYORS Rep. M.A. Pitts

Relating to exceptions from regulation of land surveyors, this bill allows a land surveyor to prepare a plat of property for an agency of the United States government pursuant to applicable federal regulations. The bill permits the exception where a plat does not meet the minimum standards for a land survey in this State. The bill restricts the use of a plat prepared under these circumstances to an agency of the United States government and requires a disclaimer for a plat prepared pursuant to these provisions.

H.3478 ENFORCEMENT OF CHILD SUPPORT PAYMENTS Rep. Spires

The bill pertains to wage withholding for the collection and enforcement of child support payments. Under this bill, the family court shall order wage withholding upon finding that a person, who is not required to pay through wage withholding or the family court, is, or has been, in arrears in an amount equal to three or more month's support obligation.

**H.3483 TEMPORARY POSSESSION, CONSUMPTION, AND SALE
PERMITS OF BEER OR WINE Rep. Davenport**

This bill prohibits the issuance of these permits at certain high school league sporting events and other high school league-sanctioned events or competitions.

H.3487 PARENTAL IMMUNITY Rep. Spires

Relating to parental immunity in cases of incorrigibility of a seventeen-year-old child, this bill provides that immunity also applies in cases of negligent supervision if the child is excluded from the home and there is a demonstrable record that the child is incorrigible.

H.3490 "ALCOHOL EDUCATION PROGRAM ACT" Rep. G.M. Smith

This bill authorizes each solicitor as part of their Pretrial Intervention Program to establish a program for persons who commit certain alcohol-related offenses.

LABOR, COMMERCE AND INDUSTRY

**H.3448 DEFERRED PRESENTMENT TRANSACTION RESTRICTIONS
Rep. Hart**

This bill revises provisions for charges permitted and other provisions allowed in consumer finance transactions, so as to exclude "payday loans", known as deferred presentment transactions. The legislation makes the deferred presentment transactions licensing provisions applicable to a person actually engaged in that business while purporting to act as an entity that would not be required otherwise to be licensed. The legislation limits the number and the amount of a transaction for each customer and caps the annual interest rate chargeable in a deferred presentment transaction at thirty-six percent. The legislation restates the limit of one contract with a customer at a time. The legislation revises provisions relating to the allowable loan finance charge for consumer loans and relating to the posting of a maximum rate schedule for consumer loans, so as to exclude their applicability to a deferred presentment transaction.

H.3450 INSURANCE POLICY NONRENEWAL NOTICES Rep. Clemmons

This bill changes from thirty to ninety days the minimum time that is required that a nonrenewal notice must be sent to the insured and the agent of record before the expiration or anniversary date of the policy.

H.3451 "THE UNIFORM REAL PROPERTY RECORDING ACT" Rep. Cotty

This bill enacts "The Uniform Real Property Recording Act" which provides for the authority of the register of mesne conveyances in a county to receive and record documents and information in electronic form. The legislation charges the Office of the Secretary of State with the responsibility of implementing the legislation and adopting standards for the receipt, recording, and retrieval of electronic documents.

H.3456 “ABANDONED MANUFACTURED HOME REMOVAL ACT”

Rep. M.A. Pitts

This bill enacts the “Abandoned Manufactured Home Removal Act” so as to provide a procedure for demolition and disposal of abandoned manufactured homes. The bill establishes notification requirements and revises provisions relating to uncollectible real and personal property taxes, so as to allow the county auditor to waive and remove from the tax duplicate current and delinquent property taxes, assessments, costs, and fees from a manufactured home demolished and disposed of under this legislation.

**H.3468 HEALTH INSURANCE COVERAGE FOR TREATMENT OF
PERVASIVE**

DEVELOPMENTAL DISORDERS Rep. Perry

This bill requires health insurers to provide coverage for treatment of pervasive developmental disorders, including autism and Asperger’s syndrome.

H.3481 EXEMPTION FROM FIRE SPRINKLER CONTRACTOR PROVISIONS

Rep. Cato

This bill provides that the provisions regulating fire sprinkler contractors do not apply to persons who are employed by public institutions to repair, alter, maintain, or inspect fire sprinkler systems, water spray systems, or water foam systems.

H.3488 FAILURE TO PAY FOR REAL ESTATE APPRAISER SERVICES

Rep. Limehouse

This bill defines “reasonable charges” for real estate appraisal services and provides for a cause of action against a person who willfully fails to pay for the services of a real estate appraiser. The legislation provides for liquidated damages.

MEDICAL, MILITARY, PUBLIC AND MUNICIPAL AFFAIRS

H.3452 COUNTY VETERANS AFFAIRS OFFICERS Rep. Breeland

This bill extends the terms of County Veterans Affairs Officers from two years to four years.

WAYS AND MEANS

**S.139 RECREATIONAL TRAILERS TAXED AS REAL RATHER THAN
PERSONAL PROPERTY Sen. Knotts**

This bill revises the provision allowing motor homes that qualify as a primary or secondary residence for purposes of ad valorem property tax, so as to include trailers used for camping and recreational travel pulled by a motor vehicle.

S.263 OFFICE HOURS OF THE STATE TREASURER Sen. McConnell

This bill eliminates the provision that requires the State Treasurer to maintain office hours on Saturdays. The provision eliminated under the bill requires the Treasurer to keep open and attend in his office from nine o'clock in the morning until two in the afternoon every day, Sundays, public holidays and the two succeeding days to Christmas excepted.

**H.3431 INCOME TAX DEDUCTION FOR VOLUNTEER ADVANCED STATE
CONSTABLES Rep. Crawford**

This bill allows a maximum three thousand dollars a year state income tax deduction for volunteer state constables designated by the State Law Enforcement Division as advanced state constables.

**H.3434 "SOUTH CAROLINA NATIONAL GUARD COLLEGE ASSISTANCE
PROGRAM ACT" Rep. J.E. Smith**

This bill revises provisions for the South Carolina National Guard Tuition Assistance Act, so as to enact instead the "South Carolina National Guard College Assistance Program Act" which provides for college assistance program grants administered by the Commission on Higher Education. Qualifying members of the National Guard may receive college assistance program grants up to an amount equal to one hundred percent of college tuition and fees, provided, however, that a grant may not exceed four thousand five hundred dollars each academic year at an eligible institution. A member may not qualify for college assistance program grants for more than one hundred thirty semester hours or related quarter hours or for more than four years. The legislation provides for eligibility requirements. The legislation discontinues the loan repayment program for members of the National Guard serving in areas of critical need and eliminates provisions for one-half tuition for members of the South Carolina National Guard.

**H.3438 STATE INCOME TAX REDUCTION AND CIGARETTE TAX INCREASE
Rep. Crawford**

This bill reduces the top marginal state income tax rate from seven percent to 6.5 percent. The legislation updates the brackets to reflect past inflation adjustments and eliminates the provision limiting the inflation adjustment to one-half of the actual inflation rate and the overall four percent limit on the total inflation adjustment. The legislation revises provisions for the rates of the license tax on tobacco products, so as to increase the tax on cigarettes from .35 cents for each cigarette to 5.35 cents on each cigarette.

**H.3477 SENIOR CITIZEN HOMESTEAD EXEMPTION EXPANDED TO
INCLUDE FULL VALUE OF HOME Rep. Spires**

This bill allows an exemption from all property tax equal to one hundred percent of the value subject to tax of an owner-occupied residence if the owner has attained the age of sixty-five years.

**H.3479 RELEASE OF PROPERTY TAX REIMBURSEMENTS FOR THE
ALLENDALE COUNTY SCHOOL DISTRICT FOR THE 2005-06
FISCAL YEAR Rep. Hosey**

This joint resolution directs the Comptroller General to release property tax reimbursements for the Allendale County School District for the 2005-06 fiscal year that are currently being withheld because of the failure of the Allendale County government to submit audited financial reports for the 2004-05 fiscal year, with the amount released to be based upon the district's portion of the total property tax millage for the county, which is 57.9646 percent, multiplied by the total amount withheld for the county.

**H.3482 REDUCTION OF TOP MARGINAL STATE INCOME TAX RATE
Rep. Talley**

This bill revises provisions relating to the rates and income brackets applicable for individuals, estates, and trusts for purposes of the South Carolina Income Tax Act, so as

to reduce the top marginal tax rate from seven percent to 6.6 percent and to update the brackets to reflect past inflation adjustments.

H.3484 “SOUTH CAROLINA EDUCATIONAL OPPORTUNITY SCHOLARSHIP ACT” Rep. Edge

This bill enacts the “South Carolina Educational Opportunity Scholarship Act.” The legislation provides an Educational Opportunity Tax Credit for certain taxes for tuition paid to public or independent schools. The legislation allows certain students to use an Educational Opportunity Scholarship equal to a portion of the average state per pupil expenditure to transfer from a failing public school to another public school or to an independent school. The legislation provides for an additional award for transportation of the transferring student. The legislation establishes provisions for reporting, accountability, and conducting of examinations and investigations.

H.3485 INFLATION ADJUSTMENTS TO STATE INDIVIDUAL INCOME TAX BRACKETS Rep. Talley

This bill revises provisions for annual inflation adjustments to state individual income tax brackets, so as to eliminate the provision limiting the inflation adjustment to one-half of the actual inflation rate.

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